



nerej

CBRE/NE executes 100,000 s/f built-to-suit lease to Baldor Boston - property owned by National Development

March 16, 2018 - Front Section

Chelsea, MA According to CBRE/New England, a build-to-suit lease totaling 100,000 s/f of warehouse space was executed at 130 Eastern Ave. The landlord, National Development, leased the building in its entirety to Baldor Boston, LLC, a high-end produce and specialty foods logistics and distribution company.

CBRE/NE industrial experts Steve Clancy, Doug Rodenstein, Bob Gibson and Rachel Marks represented Baldor. National Development represented themselves.

Last August, National Development, along with its investment management affiliate Charles River Realty Investors, purchased the seven-acre site from its long-time owners. At the time, there was a 37,000 s/f building on the property, which National Development has since removed to enable the construction of a 100,000 s/f warehouse facility. National Development permitted the site and began construction in February. The building is on track to be delivered in Q4 2018.

Given Baldor's operation and customer base, it was essential to have proximity to Boston and the New England produce market. As the area continues to redevelop, its warehouse availability has become limited. Due to the lack of options in the area and the build-to-suit nature of the transaction, Baldor was willing to sign a long-term, 20-year lease, understanding this real estate play would allow them continued success in this market.

"Baldor Boston, LLC's new facility in Chelsea will be a modern, fully refrigerated wholesale center that is being built to the highest industry standards," said Tucker Kelton, director at National Development/Charles River Realty. "New industrial development in urban areas has been limited given the lack of available land and the conversion of many former industrial properties into residential and mixed-use projects. However, given the substantial increase in the urban population, demand for space from service-oriented companies is also growing. Increasingly, companies like Baldor Boston, LLC have the vision and long-term view that, in order to service the growing urban environment, it is best to have well-located and purpose-built facilities."

Both Baldor and National Development expressed their gratitude to all parties involved in putting together and executing this transaction.

“We are extremely fortunate to have worked with National Development and CBRE/New England as our partners on this project,” said Glenn Messinger, general manager of Baldor. “This transaction couldn’t have happened without their knowledge of the build-to-suit process, creativity and tireless efforts. Our state-of-the-art facility will allow us tremendous growth opportunity and to become the leader in our industry in the Boston market. We are very excited about the future of Baldor Boston, LLC.”

“Our team at National Development and Charles River Realty Investors is exceptionally proud of our partnership with Baldor Boston, LLC, a company that is a true leader in its industry, and with our relationship with the City of Chelsea, which has been supportive of the project and great to work with,” said Tucker Kelton of National Development/Charles River Realty. “We are also very appreciative of the CBRE/New England team of Steve Clancy and Doug Rodenstein for identifying our firm as the right partner for their client and for their creativity in arranging this successful project. The key to our partnership with Baldor Boston, LLC has been assembling the right project team. We have leveraged many verticals of our platform as part of the project, including: development project management, acquisition, financing and property management services, and construction management through our affiliate Cranshaw Construction.”

The costs of this project reached a new high-water mark for warehouse construction in the area. Both Baldor Boston, LLC and National Development’s willingness to invest significantly in this transaction further emphasizes the importance of proximity to Boston’s growing population in today’s supply chain and the local industrial real estate market.

CB Richard Ellis – N.E. Partners, LP, a joint venture with CBRE Group, Inc. has offices in Massachusetts, Connecticut, Rhode Island, Maine and New Hampshire. CBRE Group, Inc, a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world’s largest commercial real estate services and investment firm (based on 2016 revenue). The company has more than 75,000 employees (excluding affiliates), and serves real estate investors and occupiers through approximately 450 offices (excluding affiliates) worldwide. CBRE offers a broad range of integrated services, including facilities, transaction and project management; property management; investment management; appraisal and valuation; property leasing; strategic consulting; property sales; mortgage services and development services.

New England Real Estate Journal - 17 Accord Park Drive #207, Norwell MA 02061 - (781) 878-4540